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ALCOHOL AND TOBACCO COMMISSION

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## Nonrule Policy ATC-011

**1. NOTICE:** Under [IC 4-22-7-7](#), this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of the document will provide the general public with information about the Alcohol and Tobacco Commission's (ATC) official position concerning a specific issue.

**2. DISCLAIMER:** This nonrule policy is being established by the ATC consistent with its authority under [IC 7.1-2-3-2](#) and [IC 7.1-2-3-31](#). It is intended solely as guidance and shall be used in conjunction with applicable rules or laws. It does not replace applicable rules and laws, and, if it conflicts with these rules or laws, the rules or laws shall control.

**3. AUTHORIZED:** Alex D. Huskey, Chairman

**4. SUPERSEDES:** New

**5. SUBJECT:** The purpose of this nonrule policy is to implement a uniform procedure for the regulation of instant redeemable coupons (IRC) governed by the ATC.

**6. SCOPE:** Manufacturers may provide IRC to consumers upon approval of the ATC.

**7. POLICY:**

7.1 An IRC is a point-of-sale coupon redeemed by the consumer at a dealer's permit premises.

7.2 A consumer is a person who buys alcoholic beverages from a dealer for personal, family, or household use, with no intention of resale.

7.3 A consumer is not a member of a tier in the three tier alcoholic beverage system.

7.4 A dealer may sell alcoholic beverages to consumers for consumption off the licensed premises. [IC 7.1-3-5-1](#).

7.5 The Indiana Administrative Code (IAC) permits the use of advertising specialties in conjunction with the sale of alcoholic beverages to a consumer. [905 IAC 1-5.2-7](#).

7.6 The IAC allows the use of premium offers and contest promotions by manufacturers and wholesalers as long as the premium offer or prize is not conditioned upon purchase of an alcoholic beverage. [905 IAC 1-5.2-13](#).

7.7 A primary source of supply or wholesaler may package at its permit premises and distribute alcoholic beverages in combination with other items. [905 IAC 1-5.2-11](#).

7.8 Advertising specialties, premium offers, contest promotions, and/or combination packaging must provide no value to the dealer and may only be offered to the consumer.

7.9 All IRCs must be offered on a nondiscriminatory basis.

7.10 Nondiscriminatory means that all types of dealers (drug store, grocery store, confectionery, package store, etc.) are able to take advantage of the IRC issued by the manufacturer.

7.11 An IRC shall be directly affixed to the alcoholic beverage product.

7.12 An IRC shall offer a discount on a product readily available at all dealer types.

7.13 No IRC may be deployed in a manner that could be redeemed by anyone other than a consumer.

7.14 An IRC shall only be authorized in advance by the Indiana State Excise Police (ISEP) Trade Relations Officer.

7.15 The request shall come on official letterhead with contact information for the requesting individual.

7.16 The request may come in the form of electronic mail.

7.17 The request shall include:

7.17.1 The name/type of IRC.

7.17.2 The alcoholic beverage product to which the IRC is related.

7.17.3 The product discounted by the IRC.

7.17.4 The cost per IRC to the issuing permit holder.

7.17.5 The date issued.

7.17.6 The name and address of the dealers receiving the IRC.

7.18 The manufacturer or wholesaler shall maintain records of the deployment of any IRC. [905 IAC 1-5.2-2](#).

7.19 Records retained shall mirror the request given to ISEP's Trade Relations Officer.

7.20 The following are characteristics of an impermissible IRC:

7.20.1 Any IRC made available in any form other than instruments directly affixed to the alcoholic beverage product.

7.20.2 An IRC featuring any benefit which inures to the dealer other than increased foot traffic and product sales.

7.20.3 An IRC that provides a discount or benefit that cannot be redeemed at all dealer types.

7.20.4 An IRC not made available to all types of dealers.

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